51%. Foreign technology agreements in respect of such industries are also eligible for automatic approval provided the payments are within specified limits.

Losses incurred by SAIL

2521. SHRI KRISHNA KUMAR BIRLA : Will the Minister of STEEL be pleased to state :

(a) whether the Steel Authority of India Limited has incurred heavy losses during the first four months of the current financial year;

(b) if so, what are the reasons therefor ;

(c) whether Government have since contemplated any concrete measures to tone up the functioning of Steel Authority of India Limited to save it from losses during the next few months of the current financial year; and

(d) if so, what are the details thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI SONTOSH MOHAN DEV) : (a) According to preliminary estimates, SAIL incurred some losses in April, 1992, but the company has been able to earn profits in both May and June, 1992. The estimates of working results for July, 1992 would be known only after the Month ends.

(b) Among others, the main reason for incurrence of losses during April, 1992 was the unremunerative selling prices for steel products due to increase in the cost of production arising out of escalation in input costs.

(c) and (d) To check the incurrence of losses, and improve working results, the prices of iron and steel products have been increased with effect from 19th May, 1992. In addition, efforts are being made to m p rove the performance.

Supply of raw material to Bhilai Steel Plant

2522. SHRI SURESH PACHOURI : Will the Minister of STEEL be pleased to state :

(a) whether it is a fact that deposits of iron ore in the Rajhara mines in the State of Madhya Pradesh is the only source from where the Bhilai Steel Plant gets its raw material have decreased to a alarming level which may affect the production of Bhilai Steel Plant in the near future;

(b) if so, what are the details thereof; and

(c) what remedial action Government propose to take in the matter ?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI SONTOSH MOHAN DEV) : (a) Rajhara is not the only captive source of supply of iron ore to Bhilai Steel Plant. Bhilai Steel Plant receives its iron ore from its captive mines at Dalli-Rajhara. Presently, the available reserves at Rajhara have not depleted to an alarming level. However, according to Steel Authority of India Limited (SAIL) they have planned for a decrease in production of iron ore from Rajhara from the year 1994-95 onwards.

(b) According to SAIL, there will be a shortfall of about 2.7 million tonnes and 4.4 million tonnes of iron ore in the years 2001-2002 and 2004-2005 respectively after meeting the requirements from Rajhara-Dalli Group.

(c) In order to meet the shortfall in requirement, SAIL has identified a new mine at Rowghat, as a linkage for supply of iron ore to Bhillai Steel Plant.